

McCann Appraisal, LLC

April 15, 2013

U.S. House of Representatives
Committee on Ways and Means

Re: Comments to the Energy Tax Reform Working Group

Dear Committee Members,

I am writing as a real estate appraiser with extensive professional experience regarding unintended consequences of the PTC, as it relates to subsidizing wind energy development.

It is a fact that many wind energy projects, large and small, are being sited too close to residential property and the homeowners, and is causing not only aesthetic impacts, but noise, sleep disruption and other nuisances for a large percentage of people living within approximately 2 miles of 400-500 foot tall turbines.

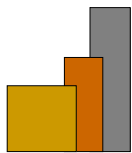
Empirical research demonstrates that residential property values are adversely impacted within this range, by 25% to 40%.

It is also true that local ordinances, codes and noise limits are antiquated when it comes to the type, quality and extent of turbine noise, both audible and low frequency (inaudible) LFN noise. The wind industry has gone to great lengths to deny any of these impacts actually exist, but NASA, the Defense Department, and other scientific research has clearly found that low frequency noise can be quite disturbing to people, not to mention the unprecedented level of adverse neighboring responses and complaints. LFN even has military applications, i.e., crowd control (dispersion), etc.

These noise impacts are the primary reason many people become ill, decide to sell their homes, or otherwise relocate away from wind projects, with homeowners incurring significant loss of equity when they *CAN* sell. However, ***people seeking to escape the impact of turbines often find that there is no "market" for their homes***, as the character of homes surrounded by huge turbines is impaired by virtue of the intrusion of large scale industrial development into residential and/or rural residential locations.

Typical wind projects in the Midwest encompass and surround homes within 5,000 – 20,000 acres, so this is not a small scale problem.

Again, many cannot sell at any price and there are many reports in the US and worldwide of **people abandoning their homes**, as a result of having no other practical options or means to escape the negative impacts.



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I have researched the real estate trends and value impacts in numerous project locations, as an objective professional appraiser, and I recommend that the PTC NOT be renewed due to the numerous unintended consequences of the wind energy developments. Specifically, loss of market value and marketability of neighboring homes.

Alternatively, when turbine project “footprints” surround any homes, there should be an ***amendment to the PTC authorization that provides for homeowners to have an option to be bought out at market value***, and relocated at the project expense, as with any other federally funded projects intended for a public purpose or public benefit. A Property Value Guarantee (PVG) requirement for wind projects is also a viable means of addressing the equity loss of homeowners who suddenly find they are living in the path of wind projects.

A buyout and PVG requirement is a reasonable modification to the PTC. No highway, bridge, airport, military base or other large scale project would be allowed to “surround” homes. I suggest that doing so with wind projects is a correctable oversight. I have also calculated the cost of buying out residential property in rural locations, and it represents a de minimus use of PTC funding, and would generally not require the use of private developer equity.

Finally, I am willing to discuss this issue with any committee members, or provide testimony before Congress, if requested.

Respectfully submitted,

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